

14 FAH-1 H-720

DISPOSAL PROCEDURES FOR DEPARTMENT AND FIELD OFFICES

(CT:PPM-20; 08-19-2014)
(Office of Origin: A/LM)

14 FAH-1 H-721 DISPOSITION OF DOMESTIC LOCATED U.S. GOVERNMENT PERSONAL PROPERTY

(CT:PPM-20; 08-19-2014)
(Domestic State)

- a. The phrase "Domestic State" for these procedures covers the disposition of Department of State personal property physically located in the United States, the U.S. Virgin Islands, American Samoa, Guam, Puerto Rico, the Federated States of Micronesia, the Marshall Islands, Palau, and the Northern Mariana Islands. Reference 41 CFR 102-36.10.
- b. The executive director of each Bureau or Office will ensure disposal of government property is not conducted during the annual inventory cycle:
 - (1) For the purposes of disposal operations, the annual inventory cycle begins when the Physical Inventory Identification (PIID) is generated in ILMS;
 - (2) Sales and other disposal actions for personal property should be conducted prior to generating PIID in ILMS. This includes reconciling asset management records in ILMS; and
 - (3) Bureaus and offices may continue disposal actions for personal property when their annual inventory has been certified by the Property Management Division (A/LM/PMP/PM).
- c. All U.S. Government personal property must be reviewed to prevent accumulation of property in offices, residences or warehouses:
 - (1) That is no longer needed for official business;
 - (2) Requires replacement due to replacement criteria being met; or
 - (3) In such a condition that economical repair cannot occur.
- d. Such property must be identified and reported in a timely way for disposition processing in order for the Government to achieve maximum return on investment. The U.S. Government uses several authorities and methods for

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disposition, depending on the type of property involved, including:

- (1) Exchange/sale authority;
- (2) Excess personal property; and
- (3) Government property on a contract.

- e. A high-level overview of the various disposition processes is provided at 14 FAH-1 Exhibit H-721.

14 FAH-1 H-722 INSPECTION OF PERSONAL PROPERTY PRIOR TO DISPOSITION

(CT:PPM-20; 08-19-2014)

(Domestic State)

- a. The principal custodial officer must ensure the 12 FAM 561 required security inspection is completed prior to the physical removal of unneeded Government personal property. This includes inspection by the employee who used the property for any classified, sensitive information or material. The Form DS-586, Turn-In Property Inspection Certification, is completed and signed by the employee, then signed by the unit security officer, then affixed to each property item that required inspection.
- b. The employee to whom the property is assigned must inspect all desks, tables, loose cushions on sofas and chairs, book shelves, safes, filing cabinets, bookcases or any property with shelves or drawers. Drawers must be removed during inspection and areas behind and underneath the drawers examined to assure that they are emptied of all classified material. Office magnetic media, typewriters, data or word processing and automatic data processing (ADP) equipment must also be cleared of all ribbons or sensitive information stored in memory banks. Magnetic media consisting of hard drives, compact disks, thumb drives, solid state drive have additional requirements for triple overwrite or specific methods for destruction. See 12 FAM 629.2-4, for domestic unclassified SBU hard drives for disposition methods.
- c. After the employee has completed the examination for classified material and signed Form DS-586, the area custodial officer (ACO) inspects the property and the unit security officer (SO) or the information systems security officer (ISSO) inspects the machines/systems equipment and signs Form DS-586 (bottom right block). The ACO ensures a completed and signed Form DS-586 is affixed to each property item in a place and manner that will not cause damage when removed. The back of a cabinet or chair and the inside panel of a desk are examples of locations.
- d. In the absence of the employee or where common-use property is involved, the unit supervisor makes the initial check or assigns an employee to make the check.

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- e. The unit security officer must reset combinations to factory standards of 50-25-50 for safes and 10-20-30 for padlocks used with bar lock cabinets, or clearly mark the current combination on the item. Property having keys must have the keys securely attached to the item. No property in a locked state can be processed for disposition until opened and properly inspected.

14 FAH-1 H-723 DISPOSITION OF UNNEEDED PROPERTY IN THE WASHINGTON DC METROPOLITAN AREA

14 FAH-1 H-723.1 Use of Department of Agriculture Centralized Excess Property Operations

(CT:PPM-20; 08-19-2014)
(Domestic State)

- a. Due to storage and removal problems at the major locations of Department of State, for unneeded property in the Washington DC, metropolitan area, A/LM/PMP maintains and funds an Interagency Acquisition Agreement under authority of the Economy Act, 31 U.S.C. 1535 with the U.S. Department of Agriculture, Centralized Excess Property Operations (USDA-CEPO). The Acquisitions Office has to review this agreement each fiscal year. USDA-CEPO provides labor and trucks to physically pick up and move the unneeded property from Department of State locations to a Beltsville, Maryland warehouse. See USDA-CEPO. USDA-CEPO completes the required U.S. Government disposition processes for personal property by reporting descriptive information and digital pictures of the property as excess using GSAXcess website for screening and potential transfer to all other U.S. Government agencies and the U.S. State Agencies for Surplus Property (SASP) eligible donees. Any property remaining after Federal and SASP transfers is sold by USDA-CEPO sales contracting officers as surplus personal property competitively to the public, with the net sales proceeds deposited to the U.S. Treasury as miscellaneous receipts.
- b. USDA-CEPO does not provide the following services:
 - (1) Detach or remove property from the building;
 - (2) Disconnect property from electrical or other equipment;
 - (3) Disassemble property;
 - (4) Does not handle weapons, ammunition, or property with hazardous materials; and
 - (5) Does not remove U.S. Government property on a contract.
- c. The area custodial officers are responsible for ensuring the timely identification

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and reporting of unneeded property to the principal custodial officer. This is accomplished using the ILMS-AM sections for domestic excess property that the USDA-CEPO will pick up. Detailed instructions are available from the ILMS online user tutorials and an instructor led FSI training course PA-352 is available on the use of the domestic excess property module for reporting property to USDA-CEPO. The major steps are as follows:

- (1) The ACO and PCO may use the simplified transfer software on the Intermec barcode scanners to identify unneeded property, plus move this property into an excess property location within ILMS;
- (2) The ACO determines which accountable asset will enter the excess process using the ILMS "search and select accountable asset" process. Assets not in ILMS, such as furniture, are submitted for disposition processing using the ILMS "non-accountable assets to be excessed" process;
- (3) The ACO submits the identified assets for approval by the PCO using the ILMS "approve a request for assets to be excessed" process;
- (4) Upon approval by the PCO the assets are available for internal Department screening via Ariba in the excess property catalog for 10 calendar days. See the ILMS online tutorial for "view assets in the excess property catalog" for further details. Items other bureaus want may be requested in the ILMS Ariba excess property catalog. A Form DS-584, Property Transaction processed as a "reutilization" action may be generated by ILMS. For requests by a different bureau, the PCO must manually sign the ILMS-generated DS-584 (block 12 authorizing officer). The APO (block 14 approving officer) of the bureau that transfers the property must sign the same document. The acquiring bureau signs *Form* DS-584 (block 18) when it physically receives the property. The ACO or PCO should ensure the original and one copy of *Form* DS-584 goes to the acquiring bureau for signature upon receipt of the property. The receiving bureau signs block 18 of *Form* DS-584 and the original of *Form* DS-584 goes back to the bureau. The acquiring bureau keeps one copy of *Form* DS-584. The bureau PCO must provide a copy of the approved and completed *Form* DS-584 to the property management desk officer (A/LM/PMP/PM) for completion of the reutilization action in ILMS;
- (5) Once an asset has been in the ILMS Ariba excess property catalog over 10 calendar days, without being requested, the asset receives an "expired" excess status from ILMS. The ACO must mark those expired items as "excess disposed" in the ILMS excess property module to add them to a Form DS-1882, Domestic Property Excess to begin the process for pickup and removal by USDA-CEPO;
- (6) The ACO creates the Form DS-1882, Domestic Property Excess, in ILMS which sends the completed *Form* DS-1882 to the PCO for review and approval in ILMS;

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- (7) After PCO approval of the items listed on *Form* DS-1882 in ILMS, the PCO clicks the "send to Property Management for processing" which produces an email to PropertyDisposal@state.gov with *Form* DS-1882 as an attachment. Property management staff reviews *Form* DS-1882, assigns a USDA-CEPO number and forwards the Form CEPO-1 plus the attached *Form* DS-1882 to USDA-CEPO to schedule a pickup date. See 14 FAH-1 Exhibit H-723.1 for a sample completed Form CEPO-1 plus attached *Form* DS-1882. Property Management provides a copy of Form CEPO-1 to the bureau. USDA-CEPO coordinates a pickup date with the ACO or PCO;
- (8) The ACO or PCO must ensure that ILMS generated property tags corresponding to the items listed on *Form* DS-1882 are affixed to the items prior to USDA-CEPO pickup. Furniture does not need a property tag for pickup by USDA-CEPO. Instead, the quantity of items listed on *Form* DS-1882 is *used* by the driver to verify the property. For property located at the Harry S. Truman building, the ACO must arrange to have the property moved to the loading dock on the morning of the day that the property is scheduled for pick up by USDA-CEPO. Annexes with loading docks must follow the same procedures. For Department of State annexes without loading docks, ensure that property is moved to an area that is easily accessible for USDA-CEPO to complete pickup in a timely and efficient manner;
- (9) Bureaus that conduct office moves that generate large quantities of excess furniture must contact Property Management to coordinate potential alternative disposition processes. USDA-CEPO or other solution providers may charge additional costs; *and*
- (10) The USDA-CEPO driver inspects the property and signs *Form* DS-1882. After pickup by the USDA-CEPO driver the ACO and PCO must ensure that ILMS property records are updated to reflect the actual disposition of the property.

14 FAH-1 H-723.2 Items the Department of Agriculture Centralized Excess Property Operations Do Not Accept

(CT:PPM-20; 08-19-2014)
(Domestic State)

- a. Items such as weapons, ammunition, property containing hazardous materials that the USDA-CEPO will not accept, or other large items, may be processed for disposition from their current physical locations (especially at warehouses) using GSAXcess website to reduce the Government's cost to perform disposition processes.
- b. Replacement property that the bureau desires to process under the exchange/sale authority in order to retain the exchange allowance or net sales proceeds to offset the cost of acquisition for similar new property may use the

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procedures at 14 FAH-1 H-726.

- c. Department of State property on a contract must be processed following the procedures of 14 FAH-1 H-725.

14 FAH-1 H-724 DISPOSITION CHOICES FOR PROPERTY LOCATED DOMESTICALLY OUTSIDE THE WASHINGTON DC METROPOLITAN AREA

(CT:PPM-20; 08-19-2014)
(Domestic State)

- a. The PCO must determine if old property under the bureau's control needs to be replaced to continue operations. If yes, the property should be processed as replacement property under exchange/sale authority. The exchange allowance or sales proceeds may be used to offset the cost of the new similar property to be acquired to continue operations.
- b. If the PCO determines that the unneeded property does not need to be replaced to continue operations or is not eligible to be processed under exchange/sale authority, it is processed as "excess" personal property without reimbursement and net sales proceeds deposited to the U.S. Treasury.
- c. If the property is U.S. Government property located domestically on a contract it is processed in accordance with 14 FAH-1 H-725.

14 FAH-1 H-724.1 Disposition of Excess Personal Property Located Domestically Outside the Washington DC Metropolitan Area

(CT:PPM-20; 08-19-2014)
(Domestic State)

- a. The principal custodial officer notifies the Department of State national utilization officer (NUO) or alternate NUO of the persons by name and activity address code that are delegated authority to report property as excess to the Department of State and manage the disposition processes for the bureau/office. The PCOs for some bureaus have decided to keep the disposition functions centralized at one location and other bureaus have assigned individuals at many different locations.
- b. The NUO registers the PCO designated individuals in GSAXcess website with the authority to report property as excess or exchange/sale, or approve transfers to pre-K to 12th grade non-profit schools.
- c. The GSAXcess website registered users may be provided training from several sources including materials on the web site, from the bureau PCO, from the

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NUO alternate, or from U.S. General Services Administration (GSA) utilization specialists nationwide.

- d. The user the PCO has authorized enters via GSAXcess website descriptive narrative information and up to 12 digital pictures of the available excess property. Once the excess property is successfully entered in GSAXcess website the Department of State remains the property custodian and is responsible for facilitating the following:
 - (1) Safeguard and maintain the excess personal property throughout the disposition processes;
 - (2) Show the property, if contacted by interested eligible parties;
 - (3) Coordinate removal and timely release to the property's new owner (Federal, state, or public);
 - (4) Ensure at the time of sale that additional information is not provided to a buyer that was not made available to all potential eligible bidders in the formal sales listing;
 - (5) Ensure that the successful purchaser removes the property using his/her own resources and equipment, and signs the purchase receipt as picked up, with no discrepancies; *and*
 - (6) Inform GSA utilization staff or sales contracting officer if the property is not removed as required by the terms of the sales contract or if any discrepancies occur.
- e. Concurrently U.S. Federal agencies are viewing and requesting the available excess personal property in GSAXcess website at the same time as the SASP screens. The screening timeframes in GSAXcess website is 21 calendar days except for the following:
 - (1) FSG 71 Furniture, which receives 14 calendar days screening;
 - (2) Aircraft (FSC 1510, 1520), which receive 60 calendar days screening;
 - (3) Vessels 50 feet and over, which receives 60 calendar days screening; *and*
 - (4) Exchange/sale property, which receives 2 calendar days screening.
- f. GSA utilization staff distributes the property among any competing requesters and approve the electronic GSAXcess website version of *Form* SF-122, Transfer Order - Excess Personal Property or *Form* SF-123, Transfer Order - Surplus Personal Property. The completed and digitally signed transfer documents are sent to the holding agency to identify the specific individual authorized to remove the property as the new owner. U.S. Federal agencies and SASP are responsible for the removal of the property within 15 calendar days. The ACO should notify the GSA utilization specialist if the property has not been removed in order to allow GSA to approve transfer to another organization, or to ensure the property moves to the next disposition process which is sale. Reference 41 CFR 102.36.135 and 41 CFR 102-37.110.

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- g. After Federal and SASP screening and transfers, and remaining property is considered "surplus" property and rolls over from GSAXcess website to the sales processes of disposition. The GSA sales contracting officers use the same narrative description and digital pictures to determine the sale type, determine the upset price (the lowest price at which an auction item may be sold), and sale method that will result in the maximum net sales proceeds for the U.S. Government. Generally, the most cost effective and efficient sale method is internet auction via GSA Auctions which allows electronic bids 24 hours a day, seven days a week.
- h. The GSA sales contracting officer determines the appropriate sale lots based on the type of property, condition and market conditions including past sales history. The ACO should ensure the property is still available and prepare sale lot number cards to place on the property.
- i. During the inspection and sale bidding period the ACO must ensure that no additional information is provided to any bidder that was not made available to all bidders via the information available from GSA Auctions for each sale lot.
- j. GSA sales contracting officers award sales lots to the eligible bidder with the highest bid and collect the sales proceeds. The ACO should receive via email a copy of the purchaser's receipt informing the Department to whom the property should be released. The ACO should notify the GSA sales contracting officer if the purchaser has not removed the property in the time frame allowed in the sale. GSA sales contracting officer may hold the purchase in default and reoffer the property in another sale. Any sales differences (e.g., quantity, description), problems or protests should be referred immediately to the GSA sales contracting officer for resolution. The ACO should ensure that only the purchaser or their representative (authorized in writing) removes the property. The ACO obtains from the party removing the property his/her signature and date on a copy of the purchaser's receipt that is retain by the Department.
- k. After removal of all the property by the purchaser the ACO and PCO must ensure that ILMS property records are updated to reflect the actual disposition of the property.

14 FAH-1 H-724.2 FSG 70 Computer Equipment to Nonprofit U.S. Located Schools

(CT:PPM-20; 08-19-2014)

(Domestic State)

- a. The Stevenson-Wydler Technology Innovation Act, 15 U.S.C. 3710(i) is the legal authority the Department of State may use to give excess FSC 70 computer equipment via transfer to non-profit pre-kindergarten through 12 grade schools located in the United States. See Executive Order 12999, Educational Technology: Ensuring Opportunity for all Children in the Next Century. It provides guidance on the priorities and resulted in the development

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of the Computers for Learning website that registered schools use to view and select the computer equipment that U.S. Government agencies have reported as excess in GSAXcess website in disposal condition code 1, 4 or 7.

- b. The implementing guidelines for Executive Order 13423, Strengthening Federal Environmental, Energy, and Transportation Management requires the Department of State to use the GSAXcess website features to effect the transfer of computers and other equipment to the priority nonprofit pre-K through 12 the grade schools located in the United States requesting the property via the GSA's Computers for Learning website.
- c. The PCO or designee registered to use GSAXcess website must review the school's request, conform the eligibility of the school and either deny or approve the request using GSAXcess website. The GSAXcess website produces an electronic version of *Form SF-122, Transfer Order, Excess Personal Property* which documents the actual transfer.
- d. The PCO or designee registered to use GSAXcess website must ensure that any remaining FSC 70 computer equipment not transferred to an eligible nonprofit pre-K through 12th grade school located in the United States completes the utilization screening processes for U.S. Federal agencies and SASP.

14 FAH-1 H-725 DISPOSITION OF GOVERNMENT PROPERTY ON A CONTRACT

(CT:PPM-20; 08-19-2014)

(Domestic State)

- a. The Federal Acquisition Regulations (FAR) govern the disposition of U.S. Government property on a contract at a domestic location. 48 CFR Part 45 contains the directions to the Government employees and the property clause at 48 CFR 52.245-1 provides direction to the contractor. The property clause is incorporated into the contract by reference whenever there is U.S. Government property involved in the contract.
- b. The Contracting Officer should appoint in writing a Plant Clearance Officer (PLCO) in accordance with 14 FAH-2 H-148:
 - (1) Contractor prepares *Form SF-1428, Inventory Disposal Schedule*, listing U.S. Government personal property no longer needed to support the contract and submits it to the Plant Clearance Officer (PLCO) appointed in writing by the Contracting Officer for the specific contract;
 - (2) PLCO reviews and accepts, or returns for correction, inventory disposal schedules within 10 days following receipt from a contractor;
 - (3) PLCO uses *Form SF-1423, Inventory Verification Survey*, to verify accepted schedules within 20 days following acceptance;
 - (4) PLCO must provide the contractor disposition instructions within 120 days

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after acceptance of *Form* SF-1428, Inventory Disposal Schedule;

- (5) For contractor acquired property only, the PLCO may:
 - (a) Authorize return of unused property to the supplier at fair market value and credit the contract, less reasonable restocking fee, if applicable; *and*
 - (b) Authorize sale if not required by the Government and the contractor wishes to purchase a contractor acquired or contractor-produced item at unit acquisition cost and credit the contract.
- (6) PLCO must initiate reutilization to offer the property for use by other U.S. Government agencies, another U.S. Government contract, or the SASP. This is accomplished using GSAXcess website. No reimbursement is permitted. The PLCO provides the Department of State NUO a copy of their appointment letter to obtain access to GSAXcess website to report contractor-held property as no longer needed by the Department of State;
- (7) The PLCO follows the procedures of 14 FAH-1 H-724.1 d through k for reporting the contractor held U.S. Government property into GSAXcess website and have GSA sales contracting officers conduct the sales using GSA Auctions. For contractor held U.S. Government owned property outlined in 14 FAH-1 H-724.1, the PLCO is responsible for all ACO or PCO designated actions:
 - (a) Sales proceeds may be kept only if the contract or any subcontract thereunder authorizes the proceeds to be credited to the price or cost of the work;
 - (b) Otherwise, the proceeds of sale are to be credited to the Treasury of the United States as miscellaneous receipts, unless otherwise authorized by statute; *and*
 - (c) Government property on a contract may be processed pursuant to exchange/sale authority with the exchange allowance or sales proceeds the Government uses to offset the cost of new similar replacement property.
- (8) Donation in lieu of abandonment/destruction;
- (9) Abandonment/destruction (i.e. trash, including landfill) in accordance with local environmental law or regulations; *and*
- (10) The PLCO must promptly prepare *Form* SF-1424, Inventory Report, following disposition of all the property on an inventory disposal schedule. *Form* SF-1424 must be provided to:
 - (a) Administrative contracting officer; or
 - (b) Termination contracting officer; and
 - (c) Property administrator.

14 FAH-1 H-726 REPLACEMENT OF PERSONAL PROPERTY UNDER EXCHANGE/SALE AUTHORITY

14 FAH-1 H-726.1 Exchange/Sale Authority

(CT:PPM-20; 08-19-2014)
(Domestic State)

- a. The exchange/sale authority is a statute (40 U.S.C. 503) that permits each U.S. Federal agency to acquire personal property worldwide. Under this provision, the Department may exchange or sell old property and apply the exchange allowance or sale proceeds to offset the payment for the similar new property acquired to continue operations.
- b. Most of the old property at post is processed as exchange/sale because it is being replaced with similar property needed to continue operations. To reduce the cost of operations, the post should use the exchange/sale authority for old personal property that is wearing out, or obsolete, and must be replaced.
- c. The detailed regulations and restrictions for exchange/sale are at 41 CFR 102.39. However, the basic processes are as follows:
 - (1) The PCO must determine whether an exchange or sale will provide the greater return to the Government. When estimating the return under each method, consider all related administrative and overhead costs, including the cost to conduct a sale;
 - (2) Exchange methods during procurement. The exchange, sometimes called a "trade-in" is formally stated by the vendor during the procurement. For example, the vendor may offer a \$10 exchange for an old motor vehicle battery if post purchases a new battery for \$100. So the actual final price for the transaction could be \$90. An exchange can only be with the same vendor from whom the Government is purchasing the new property and can occur as follows:
 - (a) The supplier delivers the replacement new property to one organizational unit and removes the old property being replaced from that same organization unit; and
 - (b) The supplier delivers the new replacement property to one organization unit and removes the old property being replaced from a different organization unit of the same Federal agency.
 - (3) Prior to performing an exchange with a vendor, the PCO should first solicit:
 - (a) Federal agencies known to use or distribute such property using GSAXcess website. If a Federal agency wants to acquire and pay for the property, a reimbursable transfer is approved by the GSA utilization specialist for an amount not greater than the estimated fair market value of the transferred property. The transfer proceeds are

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applied in whole or part payment for new similar property to continue operations. When information on the available old replacement property under exchange/sale authority at domestic location is entered by the PCO or designee in GSAXcess website, the property receives two calendar days screening; *and*

- (b) SASP known to have an interest in acquiring such property. If a SASP is interested in acquiring the property, GSA utilization staff will prepare a negotiated sale at fixed price to the SASP in accordance with 41 CFR 102-38.125. The sales proceeds must be applied as a whole or part of a contribution to the payment for similar new property acquired to replace the old property.
- (4) The GSA sales contracting officer will conduct sale of exchange/sale property generally using internet auction via GSA Auctions.

14 FAH-1 H-726.2 Annual Fiscal Year Exchange/Sale Report

(CT:PPM-20; 08-19-2014)
(Domestic State)

The 41 CFR 102-38.330 requires each U.S. Federal agency to submit an annual fiscal year exchange/sale report as stated in 14 FAM 418.2. The PCO must ensure that the Department of State data is submitted and recorded in ILMS-Asset Management properly by close of each fiscal year. The data must reflect both exchange allowances and sales proceeds for each exchange/sale transaction completed throughout the fiscal year.

14 FAH-1 H-727 THROUGH H-729 UNASSIGNED

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14 FAH-1 Exhibit H-721

General Overview of the Disposition Processes

(CT:PPM-20; 08-19-2014)

a. Identification of property:

- (1) Does the old property need to be replaced to continue operations?
 - (a) Yes - PCO may process as replacement property under exchange/sale authority. See 14 FAH-1 H-726; *or*
 - (b) No - PCO may process as Excess Personal Property. See 14 FAH-1 H-723.1 If the property is located in the Washington DC metropolitan area, it may be processed for Department of Agriculture CEPO for pickup. If located domestically outside of the Washington DC metropolitan area it must be reported using GSAXcess website. See 14 FAH-1 H-724.1.
- (2) Is the U.S. Government property on a contract?
 - (a) Yes - Plant Clearance Officer and contractor process as contractor held property. Refer to the actual contract. Also see 48 CFR Part 45, 48 CFR 52.245-1 and 14 FAH-1 H-725; *or*
 - (b) No - See 1 above.

b. Disposition processes for replacement property using exchange/sale authority:

- (1) At time of the procurement of the new item, have vendor offer an exchange value for the old property;
- (2) Offer the property to other U.S. Government agencies via GSAXcess website (two calendar days) or email with reimbursement required of fair market value;
- (3) Offer the property to U.S. State Agencies for Surplus Property via GSAXcess website (concurrent same 2 calendar days) or email - if requested use negotiated sale at fixed price;
- (4) PDO determines if the offer of an exchange from vendor will return more than a U.S. Government conducted sale, including cost to conduct a sale:
 - (a) If exchange offer is more than expected net sales proceeds, may conduct exchange with vendor; *and*
 - (b) If exchange offer is less than expected net sales proceeds - should conduct sale and not exercise option to exchange with the vendor.
- (5) The Department keeps exchange allowances from vendor or sales proceeds from sale under exchange/sale authority to offset cost of purchase of new similar property; *and*
- (6) Record transaction data details accurately in ILMS for successful

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completion of the Department Annual Fiscal Year Exchange/Sale report.

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14 FAH-1 Exhibit H-723.1
Form CEPO-1

(CT:PPM-20; 08-19-2014)

BUDM140018

United States Department of Agriculture Centralized Excess Property Operation (CEPO) Report of Transfer, Services or Rehabilitation of Property		1. CEPO Doc No. C056392			
2. Type of Transaction (Report each type separately) <input checked="" type="checkbox"/> Transfer <input type="checkbox"/> Rehab <input type="checkbox"/> As-Is		3. (FOR OO SERVICED AGENCY USE ONLY) <input type="checkbox"/> Typewriter Repair <input type="checkbox"/> Lock Service			
Centralized Excess Property Operation (CEPO) 6351 Ammendale Road Beltsville, Maryland 20705 (301) 394-0400		4. Accounting Classification	5. Agency Doc No.		
		6. Agency/Division <i>U.S. Dept. of State</i>	6a. <input checked="" type="checkbox"/> Reporting 6b. <input type="checkbox"/> Receiving		
		7. Contact Person and Telephone Number <i>Nicole Peters 571-344-5116</i>			
		8. Location <i>6A-27 1100 Wilson Blvd</i>			
9. LINE ITEM NUMBER	10. STOCK NO/ FSC GROUP	11. ITEM DESCRIPTION (Give Full Details Including Size, Style, Color, Serial Number, if any, and Condition Code)	12. QTY	13. UNIT/ ACQ COST	14. COST/ ACQUISITION
0001		<i>See attached report</i>	<i>7</i>		<i>\$800.00</i>
0002					
0003					
0004					
0005					
0006					
0007					
0008					
15. TOTAL COST				<i>\$ 800.00</i>	

Certification of Property and Approving Officials

16. I, hereby, certify that this request and/or the Accounting Classification Number has been approved for the transfer or acquisition of personal property or services. <i>Dm. Hansen</i> Authorizing Official Signature Date <i>11-5-2013</i>		18. Requisition has been certified: (TO BE COMPLETED BY CEPO ONLY) <table style="width: 100%;"><tr><td>Line Item</td><td>Cannot be Filled (Qty)</td></tr><tr><td> </td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td> </td><td> </td></tr></table>		Line Item	Cannot be Filled (Qty)						
Line Item	Cannot be Filled (Qty)										
17. The property described herein has been verified and received by CEPO. Property Officer Signature Date		Authorizing Official Date									

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